



CALIFORNIA STATE PUBLIC WORKS BOARD

ARNOLD SCHWARZENEGGER, GOVERNOR

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STATE PUBLIC WORKS BOARD

January 14, 2005

MINUTES

PRESENT:

Ms. Anne Sheehan, Chief Deputy Director, Department of Finance
Ms. Cindy McKim, Chief Financial Officer, Department of Transportation
Mr. Barry Hemphill, Deputy Director, Telecommunications Division, Department of General Services
Ms. Cindy Aronberg, Deputy Controller, State Controller's Office
Mr. Francisco Lujano, Director, Securities Management Division, State Treasurer's Office

ADVISORY MEMBER:

Director, Employment Development Department

LEGISLATIVE ADVISORS:

Assembly Member Darrell Steinberg
Assembly Member Wilma Chan
Assembly Member Lloyd E. Levine
Senator Betty Karnette
Senator Wesley Chesbro
Senator Gilbert Cedillo

STAFF PRESENT:

Michael Carter, Assistant Administrative Secretary, State Public Works Board
Rocel Bettencourt, Assistant Administrative Secretary, State Public Works Board
Deborah Cregger, Legal Counsel, State Public Works Board
Kathy Chovan, Legal Counsel, State Public Works Board
Peggy Palmertree, Acting Executive Secretary, State Public Works Board
Brian Dewey, Budget Analyst, Department of Finance
Debbie Dills, Budget Analyst, Department of Finance
Chris Lief, Budget Analyst, Department of Finance
Peter Brown, Budget Analyst, Department of Finance

OTHERS PRESENT:

Rob Kane, Department of Parks and Recreation
Rick Stolz, Department of Parks and Recreation
Pat Rogers, Department of Parks and Recreation
Liz Steller, Department of Parks and Recreation
David Wrightsman, State Parks
Geoff Palmertree, State Treasurer's Office
Aaron Todd, State Treasurer's Office
Chris Kooyman, State Treasurer's Office
Misty Wilson, Department of Forestry and Fire Protection
Richard Myren, Department of General Services

CALL TO ORDER AND ROLL CALL:

Ms. Sheehan, Chairperson, Chief Deputy Director, Department of Finance at 10:00 am called the meeting to order. Mr. Michael Carter, Assistant Administrative Secretary for the State Public Works Board called the roll. A quorum was established.

APPROVAL OF MINUTES

Mr. Carter reported that staff has reviewed the minutes from the December 17, 2004 meeting and believe them to accurately represent the actions of the Board.

There were no contingent actions from the previous meeting and staff recommends approval.

Hearing no objections, the minutes from the December 17, 2004 regular meeting were unanimously approved.

BOND ISSUES:

Mr. Carter stated that there were two bond items.

Bond Item #1, Department of Forestry and Fire Protection, Cuyamaca Forest Fire Station, Relocate Building. If approved, the requested action would adopt a resolution authorizing the use of interim financing and the eventual sale of lease revenue bonds. Staff recommends approval and adoption of the resolution.

A motion was made by Ms. Aronberg and Second by Mr. Lujano to approve Bond Item #1. Bond Item #1 was approved by a 5-0 vote.

Bond Item #2, Department of Forestry and Fire Protection, Rancheria Forest Fire Station, Replace Facility. If approved the requested action will adopt a resolution authorizing the use of interim financing and the eventual sale of lease revenue bonds. Staff recommends approval and adoption of the resolution.

A motion was made by Mr. Hemphill and second by Ms. McKim to approve Bond Item #2. Bond Item #2 was approved by a 5-0 vote.

CONSENT CALENDAR:

Mr. Carter stated that at the request of the Department of Parks and Recreation we are pulling Item #16. In summary, the revised Consent Calendar covers Items #3 through #15 and #17 proposes: one request to recognize a scope change, two requests to authorize site selection, one request to authorize acquisition of real property through the acceptance of a gift, one request to authorize the State to enter into an Agreement and Grant of Easement for Use Restriction, one request to authorize acquisition, one request to authorize the sale of state surplus property, five requests to approve preliminary plans, one request to proceed with preliminary plans and approve recognized anticipated deficit for construction, and one request to approve augmentation.

There were two 20-day letters for these items: **Item #3, Department of Transportation, County, Marysville Office Building, Yuba County**, Replacement—Scope Change. A 20-day letter was sent to the Legislature on December 31, 2004, and approval was contingent upon the expiration of the notification period on December 26, 2004, without comment.

Item #14, Department of Mental Health, Metropolitan State Hospital, Norwalk, Los Angeles County, Construct New Kitchen and Remodel Satellite Serving Kitchens—Recognized Anticipated Deficit. A 20-day letter was sent to the Legislature on December 31, 2004, and approval was contingent upon the expiration of the notification period on December 26, 2004, without comment.

Staff recommends approval of the Revised Consent Calendar Items #3 through #15 and #17.

A motion was made by Mr. Hemphill and Second by Ms. McKim to adopt the Consent Calendar Items #3 through #15 and #17.

The Consent Calendar was adopted by a 3-0 vote.

ACTION ITEMS:

Mr. Carter stated that there was one Action Item.

Action Item #18 for the Department of General Services, Department of Parks and Recreations, San Simeon State Park, American Land Conservancy, San Luis Obispo County, to authorize the acquisition of 175 acres as addition to the San Simeon State Park.

Mr. Carter noted that the item is being presented to you so that you are aware that Parks is proposing to acquire this property without the standard indemnification language that the State normally requires on its acquisitions. In addition, it should be noted that this property is approximately 1,000 feet southeast of the Willis Warren Ranch landfill.

Based on environmental reviews and the historical use of the property, the Environmental Services staff at DGS is confident that the risk associated with this property without standard indemnification provisions is relatively low.

Mr. Carter also noted that representatives from the Department of General Services, Environmental Services Section and the Department of Parks and Recreation are available to provide the Board with a brief description of the project, the purpose of the acquisition, and explain why the risks associated with acquiring this property without the standard indemnification are acceptable.

Mr. Warren Westrup, Department of Parks and Recreation, stated that this acquisition although the property is not owned by the Hearst family is in very close proximity to the Hearst Ranch Acquisition and is directly adjoining the existing San Simeon State Beach park unit. Where the Hearst project will be overlaid with the CalTrans scenic easement which will preclude putting camping and intensive public easement facilities on the coastal side.

Mr. Carter noted that if the final form of these documents substantially change we would recommend coming back to the Board for approval. But at this time we recommend that you approve this acquisition.

A motion was made by Ms. McKim and Second by Mr. Hemphill to approve Action Item #18.

Action Item #18 was approved by a 3-0 vote.

OTHER BUSINESS:

Mr. Carter stated there is one item of other business to authorize an amendment to each of the Board's bond counsel contracts to add time-only.

A motion was made by Ms. McKim and Second by Mr. Hemphill to approve Other Business Item #19.

Action Item #19 was approved by a 3-0 vote.

REPORTABLES:

Mr. Carter indicated that there were eight reportable items that Finance staff had approved under the authority delegated by the Board.

NEXT MEETING:

Mr. Carter stated that the next regularly scheduled meeting is set for Friday, February 11, 2005, at 10:00 am, at the State Capitol in Room 2040.

Having no further business, the meeting was adjourned at 10:15.

BOND ITEM

BOND ITEM – 1

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540) CUYAMACA FOREST FIRE STATION—RELOCATE FACILITY

Authority: Chapter 208/04, Item 3540-301-0660 (4)

Adopt a resolution to:

1. Authorize the use of interim financing to be repaid from the Public Buildings Construction from the proceeds from the sale of bonds.
2. Approve the form of and the execution and delivery of a Construction Agreement between the Department of General Services and the State Public Works Board, with consent of the Department of Forestry and Fire Protection.
3. Approve the form of and authorize the execution of a Site Lease between the Department of Forestry and Fire Protection and the State Public Works Board.
4. Approve the form of and authorize the execution of the Facility Lease between the Department of Forestry and Fire Protection and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED PROJECT COSTS:

\$3,874,000

APPROVED

5/0

BOND ITEM

STAFF ANALYSIS – 1

Department of Forestry and Fire Protection
Cuyamaca Forest Fire Station—Relocate Facility, San Diego County

Action Requested

The requested action will adopt a resolution authorizing action to be taken to provide for interim financing and the sale of lease revenue bonds.

Scope Description

This project is within scope. This relocation project acquires a 5-acre site and constructs a new CDF one-engine Forest Fire Station. The new station consists of the following: a 2,330± SF wood-framed living quarters building (eight beds), a 1,697± SF wood-framed apparatus building (one office, two bays), a 150± SF fuel building, a 1,000 gallon fuel tank, site work, utilities, paving and all appurtenances.

Funding and Cost Verification

The project is within cost.

\$3,874,000 total estimated project costs

\$535,000 project costs previously allocated: acquisition

\$3,339,000 project costs to be allocated: preliminary plans \$251,000, working drawings \$243,000 and construction \$2,845,000 (\$2,287,000 contract, \$114,000 contingency, \$406,000 A&E, and \$38,000 other)

CEQA

CEQA documentation has been filed for property acquisition. CEQA monitoring and any mitigations will be part of the construction phase.

Project Schedule

The project schedules is as follows:

Approve preliminary plans: March 2005

Complete construction: February 2007

Due Diligence Status

Due diligence was completed during acquisition phase and no significant issues were identified.

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 2

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
RANCHERIA FOREST FIRE STATION, MADERA COUNTY**

Replace Facility

*Authority: Chapter 379/02, Item 3450-301-0660 (16)
Chapter 157/03, Item 3540-301-0660 (4.6)*

Adopt resolution to:

1. Authorize the use of interim financing, to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds.
2. Approve the form of and the execution and delivery of a Construction Agreement between the Department of General Services and the State Public Works Board, with the consent of the Department of Forestry and Fire Protection.
3. Approve the form of and authorize the execution of a Site Lease between the Department of Forestry and Fire Protection and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the Department of Forestry and Fire Protection and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total estimated cost: \$2,252,000

**APPROVED
5/0**

BOND ITEM

STAFF ANALYSIS – 2

Department of Forestry and Fire Protection
Rancheria Forest Fire Station, Replace Facility

Action requested

The action requested will adopt a resolution authorizing action to be taken to provide for interim financing and the sale of lease revenue bonds.

Scope Description

This project is within scope. The approved project authorizes the construction of a standard CDF 12 bed barracks/messhall building, three-bay apparatus building, a flammable storage building, fueling facility, upgrade water, electrical, septic and LPG services, demolition of existing buildings, grading and site work; utilities; paving; landscaping; and all appurtenances.

Funding and Cost Verification

This project is within cost. The Budget Act of 2002 and 2003 provides a total of \$2,252,000 (\$1,802,000 and \$450,000 respectively) for the construction phase of this project. A resolution was previously adopted by the Board for this project prior to receiving the second, incremental appropriation for construction.

\$2,015,000 total estimated project costs

\$213,000 project costs previously allocated: preliminary plans \$102,000, working drawings \$111,000 and construction \$12,000 (due diligence)

\$2,240,000 project costs to be allocated: construction \$2,240,000 (\$1,938,000 contract, \$85,000 contingency, \$217,000 A&E and other project costs)

CEQA

A Notice of Determination was filed with the State Clearinghouse on July 27, 2000 and the waiting period expired on August 28, 2000.

Project Schedule

The project schedule is as follows:

Complete Construction: April 2006

Due Diligence

Due diligence was completed on November 17, 2004 and no significant issues were identified.

Staff Recommendation: Adopt resolution

CONSENT ITEM

CONSENT ITEM – 3

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF TRANSPORTATION (2660)
MARYSVILLE OFFICE BUILDING—REPLACEMENT
YUBA COUNTY

*Authority: Chapter 379/02, Item 2660-311-0042(1)b
Chapter 157/03, Item 1760-301-0660(2), as reappropriated by Chapter 208/04,
Item 1760-490 (1)*

a. Recognize scope change

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 3

Department of General Services
Department of Transportation
Marysville Office Building Replacement

Action Requested

The requested action will recognize a scope change for this project.

Scope Description

The project is not within scope. Chapter 379, Statutes of 2002, Item 2660-311-0042 (1) (b) provides \$2,264,000 to the Department of Transportation (DOT) for acquisition of land and preliminary plans to construct a new 230,000 gross square feet office building and 708 surface parking spaces. The project's scope consists of constructing 342 parking spaces along with the new office building on the existing site with the remaining 366 spaces to be constructed on a site to be acquired. DOT is requesting approval to reduce the 708 parking spaces down to 440.

During the property acquisition process, the landowner of the site previously selected for acquisition through the State Public Works Board process decided to sell half of the site to an unrelated third party. This action terminated the ability to acquire the site and DOT had to pursue another option to satisfy its parking needs. After reevaluating parking ratios used in the initial economic analysis, DOT is proposing to construct only 440 spaces instead of the 708 originally planned. Approximately 350 spaces would be located on the existing DOT site while the remaining 90 spaces would be constructed on a new parcel that the City of Marysville has offered to the State at market value that is able to be acquired within available funds. A 20-day scope change letter was sent to the Legislature on December 31, 2004, and the 20-day notification period will expire January 19, 2005.

Funding and Cost Verification

This project is within cost. Chapter 379/02 Item 2660-311-0042(1)b provides \$2,264,000 for the acquisition of land and preliminary plans and Chapter 157/03 Item 1760-301-0660(2) provides \$56,575,000 for the design-build phase of this project. The proposed scope change can be completed within available funds.

\$58,839,000 total estimated project cost.

\$2,264,000 project costs previously allocated: acquisition \$775,000 and preliminary plans \$1,489,000

\$56,575,000 to be allocated: construction \$56,575,000 (Contract \$48,453,000, contingency \$1,361,000, A & E \$2,719,000, and other project costs \$4,042,000)

CEQA

The project requires an Environmental Impact Report. The necessary document is being prepared by DGS.

Project Schedule

The project schedule is as follows:

Preliminary plan approval:	October 2005
Issue Design-Build Proposal:	November 2005
Award Design-Build Contract:	July 2006
Complete construction:	March 2008

Other:

DGS will perform required due diligence services during the acquisition phase.

Staff Recommendation: Recognize scope change contingent upon the expiration of the 20-day notification period.

CONSENT ITEM

CONSENT ITEM – 4

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF TRANSPORTATION (2660)
MARYSVILLE CALTRANS DISTRICT 3 OFFICE BUILDING SITE
YUBA COUNTY
DOT 021, DGS Parcel Number 10149

Authority: Chapter 379/02, Item 2660-311-0042(1)(b)

a. **Authorize site selection**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 4

Department of General Services
Department of Transportation
Marysville Caltrans District 3 Office Building Site

Action requested

The requested action will authorize site selection for this project.

Scope Description

This project is within scope. This project will construct a 230,000 gross square foot (gsf) Department of Transportation (Caltrans) District 3 office building, District 3 Headquarters, in downtown Marysville on the existing State-owned Caltrans site. The project includes purchasing an additional parcel to accommodate the surface parking needed for the new office building. Initially, the Department of General Services (DGS) and Caltrans identified an approximately 2.6 acre parcel of privately-owned property located adjacent to the existing Caltrans site to accommodate the needed parking. This property was authorized through site selection at the September 12, 2003, Public Works Board Meeting. During the non-binding negotiations for the State to acquire this property, the property owner sold half of the proposed acquisition property to another party. Therefore, the State needs to pursue acquisition of a different site to meet the needs of the project as identified in a related Scope Change Consent Item to this project.

The City of Marysville has made it known to DGS that they have property they are willing to sell to the State in efforts of furthering the Caltrans office building project. This request will authorize the site selection of approximately 27,200 square feet in Marysville, County of Yuba, for the additional surface parking lot.

Funding and Cost Verification

This project is within cost. Funding has been authorized under Chapter 379/02, Item 2660-311-0042(1)(b) provides Caltrans with \$2,264,000 for replacement, acquisition and preliminary plans. The property interests can be acquired within available funds.

CEQA

An Environmental Impact Report will be completed prior to site acquisition.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is November 2005.

Condition of Property

On November 28, 2004, the Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site survey of the proposed acquisition of a quarter-block property (APN 10-062-002) at the corner of Yuba Street and Ninth Street in Marysville, California. This parcel would be used for a surface parking lot for the planned replacement of the Caltrans, District 3 office building.

The parcel consists of a vacant, grass-covered, lot. The site is bounded by two-story warehouses to the immediate north, open space to the west along the rail lines, and Yuba and Ninth Streets to the east and south. The warehouses are aging concrete structures that appear to be for furniture storage. The open area to the west consists of an unimproved alley and a vacant lot between the alley and railroad tracks. The surface of the lot is graded level with the sidewalk. It contains no visible remnant structures (foundations, basements, vaults, etc.). However, there is clear evidence of past development, which was probably residential or light commercial given the existence of two remaining driveways from the street. The lot is covered with emerging winter grasses; it contained no debris or other evidence of dumping.

Prior to acquisition an environmental site assessment (Phase I) will need to be prepared given the site has a presumed history of developed urban uses. This assessment will provide information on past land uses and confirm if the site contains any petroleum or industrial wastes that may have resulted from earlier developments, the adjacent railroad tracks and spur, or interim uses since the land was cleared.

The site appears appropriate for the proposed use as a surface parking lot for the new office building. Based on this initial site survey, ESS staff believes site selection by the PWB is appropriate.

Other:

- Authorization of site selection is conditioned upon authorization of the project scope change.
- The purchase price shall not exceed estimated fair market value as determined by a DGS approved appraisal.
- DGS is not aware of any lawsuits pending concerning the property.
- The property is vacant and unimproved.
- There is no relocation assistance involved with the proposed acquisition.
- The property acquisition agreement will require delivery of a conveyance deed to the State free and clear of any mortgages or liens.

Staff Recommendation: Authorize site selection

CONSENT ITEM

CONSENT ITEM – 5

DEPARTMENT OF GENERAL SERVICES (1760)
CALIFORNIA TAHOE CONSERVANCY (3125)
VIVIAN A. SEIFERT DONATION, EL DORADO COUNTY
CTC Project Number 058A, DGS Parcel Number 10278

Authority: Government Code Sections 66907 and 66907.2.

- a. **Authorize the acquisition of real property through the acceptance of a gift**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 5

Department of General Services
California Tahoe Conservancy
Vivian A. Siefert Donation

Action Requested

The requested action will authorize the acquisition of real property through the acceptance of a gift.

Scope Description

This project is within scope. Vivian A. Siefert, an unmarried woman, has offered to the State as a gift approximately 0.23 acres for preservation as open space. Future residential development would be restricted.

Funding and Cost Verification

This project is within cost. The only costs associated with acceptance of this gift are the staff costs to process the acceptance.

CEQA

A Notice of Exemption was filed with the State Clearinghouse August 2, 2004, and expired on September 6, 2004.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is January 2005.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the Seifert property on December 20, 2004. The 0.23-acre parcel is located on Mt. Shasta Circle, in Mountain View Estates Unit No. 4, an unincorporated area in South Lake Tahoe, El Dorado County, California. Lot 463 (APN 033-442-04) is a gently sloping lot containing a few pine and fir trees. A utility pole (Sierra Pacific Power Company and Pacific Telephone and Telegraph Company) is located on the west-southwest property corner within an easement which extends on the front 20-feet and side and rear 6-feet of the property.

A Phase I Environmental Site Assessment report was not available for this property and is not deemed necessary given the physical setting of the parcel. No potential problems with hazardous materials, e.g., ground and/or vegetation staining were observed during the ESS site visit and the property is compatible with the proposed future use

Other

- The assessed value of the parcel is \$7,058.
- The site is vacant and unimproved and relocation assistance is not applicable.
- The Conservancy is not aware of any lawsuits pending concerning the property.
- The Conservancy will manage the land through its existing land management program.

Staff Recommendation: Authorize acquisition of real property through the acceptance of a gift.

CONSENT ITEM

CONSENT ITEM – 6

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
SONOMA COAST STATE BEACH, WILLOW CREEK, SONOMA COUNTY
DPR Parcel A7910-01, DGS Parcel 10258

Authority: Chapter 379/02, Item 3790-301-6029(6)

a. Authorize site selection

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 6

Department of General Services
Department of Parks and Recreation
Sonoma Coast State Beach, Willow Creek

Action requested

The requested action will authorize site selection for this project.

Scope Description

This project is within scope. The Legislature has approved funding for the purchase of interests in lands via Proposition 40 the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund without specifying particular parcels. This request will authorize site selection for the purchase of approximately 3,373 acres of biologically diverse landscape of moderate to steeply sloped Coast redwood, Douglas fir forest and rolling grasslands with riparian, estuarine habitat. The property is located in Sonoma County approximately three miles inland from the Pacific Ocean and Highway One, north of Bodega Bay, south of Jenner, and adjacent to Sonoma Coast State Beach along its eastern boundary.

Funding and Project Cost Verification

This project is within cost. This project will include funding from several sources. Those sources include: Chapter 379/02, Item 3790-301-6029(6) provides funding from Proposition 40 for the acquisition of fee simple interests and associated overhead for the real property; Proposition 50 funding provided by the Wildlife Conservation Board; Chapter 379/02, Item 3760 -301-6029(1) from the State Coastal Conservancy; and non-state funds to be provided by the Sonoma County Agricultural Preservation and Open Space District (SCAPOSOD). The property can be acquired with the funds available and in accordance with Legislative intent.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on August 30, 2004, and the waiting period expired on October 4, 2004.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is January 2005.

Condition of Property

On August 9, 2004, the Department of General Services (DGS) Environmental Services Section (ESS) staff conducted a site survey of the proposed acquisition of approximately 3,400 acres of land known as the Willow Creek Conservation Lands. The site was re-surveyed on November 11, 2004. The "Willow Creek" acquisition, which consists of a combination of fee and open space easements, will provide for the expansion of the existing Department of Parks and Recreation (DPR) Sonoma Coast State Beach complex in Sonoma County.

The acquisition includes large portions of the remaining non-state owned parcels of the upper Willow Creek watershed, and portions of the adjacent Freezeout Creek watershed. The subject property is situated on south side of the lower reach of the Russian River near the community of Duncan Mills. The acquisition area includes land in the Willow Creek watershed that will be secured by Sonoma County for open space and recreational uses.

The majority of the lands planned for acquisition and easements by DPR and others consist of second and third-growth coniferous forest. The property is predominately forested with redwoods and Douglas fir, along with typical Sonoma Coast broadleaf species. The ridges within the acquisition area are a mosaic of coniferous forest and open grassland habitat. The acquisition includes the portions of the Willow Creek streambed and adjoining riparian woodland habitats.

The acquisition area has no history of industrial, commercial, or residential uses. Logging, cattle grazing, and limited camping have been the principal historic uses of the property. With the exception of a few small areas of illegal dumping of household debris and two abandoned cars, the area contains no recorded or observable landfills, dumps, disposal sites, or other hazardous conditions. The property contains very little in the way of structures or constructed improvements. Only a few cattle-grazing related structures (small barn, water tanks, fencing, etc.) were observed. The property does contain a number of unpaved roads used for logging and access to adjacent parcels, including a main road that traverses the valley floor, which is a county road that connects Hwy 1 to the southeast towards the community of Occidental.

While the forested areas have been subjected to multiple generations of timber harvest, the acquisition area has significant examples of natural or near-natural habitats, especially along Willow Creek. As noted, the property has been actively managed for commercial silviculture for many generations so the property has trees of varying ages and densities. However, there is no recent evidence of commercial logging on the property.

The property has been assessed for hazards by review of historic logging information and interviewing the current and former foresters for the property, by reviewing recent aerial surveys, and through visual surveys by various state representatives. This approach was used on this property in lieu of the preparation of a formal Preliminary Site Assessment, Phase I. ESS staff has found that Phase I assessments typically are not warranted or of particular value for rural and/or remote properties that have no history of industrial or developed uses. Assessment of this property has confirmed a PSA I is not needed, nor would it be likely to reveal additional concerns with this property.

The seller has committed to the removal and/or remediation of all the hazardous conditions revealed in recent surveys of the property prior to the close of escrow. These conditions include the removal of two abandoned vehicles and the clean up of a few areas of household debris. Based on the most recent property survey, ESS staff has also requested that the existing gates on all secondary roads be secured prior to close of escrow to reduce unauthorized access.

Based on surveys of the property, review of available materials, and interviews with past and current land managers, ESS finds that the property has no known short or long-term liabilities or conditions that should be addressed or disclosed at this time except for the limited issues listed above. The property does have a limited long-term liability in regards to the main road through the property that currently allows limited but generally uncontrolled vehicular access. As is typical of any rural setting, the road poses the potential for future illegal dumping and unauthorized off-road use. While closure of this road would substantially reduce these uses, it is unclear if this is a practical solution. Until a long-term solution is implemented, the road could be patrolled, as needed, by DPR officers as part of their regular parkland public safety duties.

Finally, the Willow Creek acquisition appears fully compatible with DPR's existing mission in this area of Sonoma County. The property is contiguous with existing Sonoma Coast State Beach parkland and the regional DPR offices. The property is also consistent with the objective of restoring Willow Creek for anadromous fish, and facilitating joint DPR-Sonoma County initiatives for new recreational access opportunities.

Other

- The purchase price shall not exceed estimated fair market value as determined by a DGS approved appraisal.
- This project is significant because this acquisition will provide public protection of approximately 80 percent of the entire Willow Creek watershed and approximately 50 percent of the Freezeout Creek watershed.
- This acquisition meets two major objectives of DPR: (1) preserving and sustaining biologically diverse ecosystems such as the Willow Creek watershed and the Freezeout Creek watershed; and (2) expanding outdoor recreation opportunities adjacent to or nearby existing State Parks such as the coordination of efforts to protect Sonoma County's unique natural habitats, scenic areas and other open space resources of regional importance.
- The Sonoma County Agricultural Preservation and Open Space District (SCAPOS) will provide approximately 42 percent of the funds to purchase this property and intends to memorialize that the use is consistent with its conservation and protection goals in the form of a conservation easement or similar use restriction agreement. If the use of the property should change the use of this property significantly, it may be necessary for the State to reimburse the SCAPOS 42 percent of the market value to remove these restrictions.
- There is one agricultural lease on the property that expired on December 31, 2004, and will not be renewed. No relocation assistance issues are involved because the lease has expired naturally by its terms and there shall be no tenants at the time of acquisition.
- DPR is not aware of any lawsuits pending concerning the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.

- There is evidence of a possible implied dedication claim noted by the appraiser at locations off Willow Creek Road primarily for offsite vehicular use, hiking, and illegal cutting of firewood on occasion; however, the owner has taken affirmative steps to prevent the public from obtaining rights, to make clear the property is off limits to the public, and the appraiser concluded there was no public right established as a result of the trespass.
- The SCAPOSD is also planning to grant to the State \$300,000 to assist with initial park Development of this acquisition.
- It is currently unknown to what extent resources will be required to operate this property. DPR is in the process of refining its estimate of the operational needs associated with this acquisition, which shall be provided prior to requesting acquisition approval.
- DPR is also currently seeking endowments, partnerships, and/or grants to provide for or assist in providing for ongoing staffing/operating expenses.
- The Wildlife Conservation Board and State Coastal Conservancy are each providing \$1,187,000 via grants to the DPR to acquire this property. While these grant agreements have not been fully reviewed by staff, these agreements shall be reviewed prior to DPR requesting acquisition approval to ensure the terms of the agreements are appropriate and that the grant conditions do not unnecessarily restrict the future use of this property.

Staff Recommendation: Authorize site selection

CONSENT ITEM

CONSENT ITEM – 7

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
PRAIRIE CITY STATE VEHICULAR RECREATION AREA, BARTON RANCH
SACRAMENTO COUNTY
DPR Parcel Number 7792-01, DGS Parcel Number 10270

Authority: Ch.157/03, Item 3790-301-0263(2.5)

- a. **Authorize the State to enter into an Agreement and Grant of Easement for Use Restriction for this project.**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 7

Department of General Services
Department of Parks and Recreation
Prairie City State Vehicular Recreation Area, Barton Ranch

Action Requested

The requested action will authorize the State to enter into an Agreement and Grant of Easement for Use Restriction for this project.

Scope Description

This project is within scope. The operation and use of many State Vehicle Recreation Areas (SVRAs) are threatened by encroaching development. Incompatible development of property adjacent to the SVRAs have interfered with, impaired, or closed the pre-existing operations of the SVRAs. Therefore, the DPR proposes to enter into an easement agreement (“Agreement”) with an adjacent property owner who has lands immediately adjacent and south and southeast of Prairie City SVRA.

The proposed Agreement imposes development restrictions on the adjacent land to preclude single or multi family residential use, and any other use that is incompatible with the existing SVRA. Further, the Agreement waives any claim, past, present, or future, against the State caused by dust, sediment, or noise from Off Highway Vehicle (OHV) activities. The proposed restriction shall encumber 1,069+ acres of the adjacent property and will ensure long-term viability of the existing SVRA. The Agreement shall be the longer of fifty years or as long as the State continues its use of the Prairie City SVRA as an OHV park or other similar use requiring such restrictions and will be a covenant running with the land.

This acquisition meets DPR's mission by helping to preserve and protect existing and planned facilities and associated off highway vehicle recreation at Prairie City SVRA.

Funding and Cost Verification

This project is within cost. Chapter 157/03, Item 3790-301-0263(2.5) provides DPR's, Off Highway Vehicle Division with \$22,000,000 for buffer land acquisitions. The property interest can be acquired with the funds available and in accordance with Legislative intent.

\$3,413,000 total project cost

\$3,000 project costs previously allocated (DGS staff costs)

\$3,410,000 project costs to be allocated: \$3,405,000 for acquisition and approximately \$5,000 in overhead costs

Project Schedule

The anticipated close of escrow is January 2005.

Other:

- There is no relocation assistance involved with this project.
- DPR is unaware of any lawsuits pending concerning this property.
- The purchase price shall not exceed 50 percent of the estimated fair market value as determined by a DGS approved appraisal.
- No possessory interest is being acquired in this transaction, therefore, no site inspection is necessary and there will be no additional support costs to be incurred by the State for the care and maintenance of this property.
- DPR shall ensure the use restriction agreement and Grant Easement clearly defines incompatible uses on the adjacent property to minimize future development conflicts.

Staff Recommendation: Authorize the State to enter into an Agreement and Grant of Easement for Use Restriction.

CONSENT ITEM

CONSENT ITEM – 8

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
PIGEON POINT LIGHT STATION STATE HISTORIC PARK
SAN MATEO COUNTY
DPR Parcel Number A44101, 02, and 03, DGS Parcel Number 10183

Authority: Chapter 106/01; 3790-302-0005(13)
Chapter 106/01; 3790-301-0005(29)

a. Authorize acquisition

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 8

Department of General Services
Department of Parks and Recreation
Pigeon Point Light Station State Historic Park

Action requested

The requested action will authorize acquisition consistent with the staff analysis.

Scope Description

This project is within scope. The project will acquire three separate properties commonly referred to as Whaler's Cove (approximately 3 acres), Pigeon Point Lighthouse Ranch (approximately 19 acres), and Bolsa Point (approximately 42 acres) for purposes of restoring and protecting the unobstructed view of the Pigeon Point Lighthouse from Highway 1, allowing public access to bluffs and beaches adjacent to the park, and for the protection of valuable coastal habitat. This request would authorize acquisition of these three properties. Bolsa Point Beach is not contiguous to the other two parcels, however, all three parcels are contiguous to Pigeon Point Lighthouse. Pigeon Point Lighthouse is currently operated and managed by Department of Parks and Recreation (DPR).

Funding and Cost Verification

This project is within cost. Chapter 106/01, Item 3790-302-0005(13) provides \$4,000,000 and Item 3790-301-0005(29) provides \$1,000,000 for this acquisition in fee simple interest and associated overhead for real property. There are sufficient balances remaining in the accounts to pay the total project costs outlined below. The property interest can be acquired with the funds available and in accordance with Legislative intent.

\$5,017,000 total estimated project costs

\$2,000 project costs previously allocated: DGS staff costs for appraisal and acquisition review

\$5,015,000 project costs to be allocated: \$5,000,000 for acquisition and approximately \$15,000 for title and escrow fees

CEQA

A Notice of Exemption was filed with the State Clearinghouse on January 15, 2004, and the waiting period expired on February 19, 2004.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is January 2005

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the Pigeon Point Lighthouse properties on January 7, 2004. The acquisition consists of approximately 63.5 acres comprised of three parcels located west of the Pacific Coast Highway in San Mateo County. The parcels are vacant coastal lands.

A Phase I Environmental Site Assessment (ESA) report prepared by Krazan & Associates, Inc. on May 2000 was reviewed by ESS staff and found to be in accordance with American Society for Testing and Materials (ASTM) standards. The Phase I ESA covers only the Whaler's Cove parcel. No evidence of recognized environmental conditions in connection with the subject property was identified in the Phase I ESA report. As part of the site history, Krazan & Associates, Inc. submitted a records request to the County of San Mateo Building Department (CSMBD) for the subject site. "According to CSMBD officials, some records were on file for the subject site. However, at the time of Krazan's request, the records were not available for review or copy. Upon receipt of the records, a letter will be prepared discussing the information in the records and any modifications to the conclusions of this report (Krazan 2000:8)."

In a letter dated May 23, 2000, Krazan summarizes their review of the CSMBD records for the subject property: "No permits for items such as underground storage tanks or other structures commonly associated with the storage of hazardous materials were provided by the CSMBD. Based on this additional information, the conclusions and recommendations presented in the ESA do not change." ESS staff concurs with the findings and recommendations contained in the Phase I ESA report and follow-up letter prepared by Krazan & Associates, Inc.

All buildings on the Whaler's Cove parcel that were identified at the time of the Krazan ESA site visit in May of 2000 have since been removed. Additionally, there are no improvements on the Lighthouse Ranch Beach parcel or Bolsa Point Ranch parcel. No potential problems with hazardous materials, e.g., ground and/or vegetation staining was observed during the ESS site visit and the property is compatible with the proposed future use.

Other:

- The State Public Works Board approved this project for site selection on March 12, 2004.
- The purchase price shall not exceed estimated fair market value as determined by a Department of General Services (DGS) approved appraisal.
- The Department of Parks and Recreation (DPR) is not aware of any lawsuits pending concerning the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
- There is no implied dedication on this property.
- There is no relocation assistance involved with this project.
- The property is vacant and unimproved and is located in the Coastal Zone. A Coastal Development Permit, Number 95-0022, was approved for demolition of structures on the Whaler's Cove property. The owner demolished the structures including warehouse buildings and the partially completed Pigeon Point County Inn.
- The property contains a trail easement held by the seller.
- A 1977 property survey identified a fence line that encroaches within the northerly boundary of the Bolsa Point parcel.
- The owner has entered into an "Agreement of Obligations" with the previous owner, which was recorded February 15, 2002. The agreement contains certain conditions related to indemnification and release for hazardous waste. The owner will indemnify and hold the State harmless with regard to all conditions of the Agreement.
- Mineral rights have been reserved on the property by a prior deed, however, a review of the records of the Department of Conservation and the California Geological Survey indicate no exploration or extraction of minerals in the area.
- When this project was approved for site selection, DPR had estimated the need for two positions and ongoing costs of \$133,000 for personal service and operating expenses to provide for public safety, a certain level of public access, resource protection, and maintenance. In addition, DPR identified one-time costs of \$38,000 for the purchase of equipment.
- The DPR has since refined the operational needs associated with the acquisition and management of this property and has determined that the Department will provide historic public access through the use of volunteers and existing staff without the need for additional resources. DPR will continue to seek endowments, partnerships, and/or grants to provide for or assist in providing for a higher level of public access. However, should there be a decision to change the level of public access and/or other services at this location in the future, it is understood that these changes could have future support budget implications not considered at this time.

- This is Phase I of a two-phase project for the Pigeon Point Light Station complex. The Department has certified that no initial staffing and operating expenses will be needed to provide for a minimal level of resource protection and public access as a result of this phase of the project. However, the department has indicated that additional support and operating expenses may be needed to provide for a higher level of public access and resource protection associated with Phase II when completed.
- The acquisition of this phase shall not obligate the Board to approve subsequent phases of the Pigeon Point Light Station. The approval of Phase II and any associated support budget implications associated with that phase shall be considered separately from this phase of the project.

Staff Recommendation: Authorize acquisition

CONSENT ITEM

CONSENT ITEM – 9

DEPARTMENT OF GENERAL SERVICES (1760)
EMPLOYMENT DEVELOPMENT DEPARTMENT (7100)
VACANT LAND, BALDWIN AVENUE, OROVILLE, BUTTE COUNTY
Surplus Parcel Number SSL 531.1

Authority: Government Code §11011.1
Chapter 391, Statutes of 1994

- a. **Authorize the sale of state surplus property**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 9

Department of General Services
Employment Development Department, Vacant land, Baldwin Avenue, Oroville

Action requested

The requested action will authorize the sale of state surplus property.

Scope Description

This project is within scope. Chapter 391, Statutes of 1994, authorizes the Director of General Services (DGS), with the approval of the State Public Works Board, to sell, exchange, or lease, for current market value or for any lesser consideration authorized by law and upon those terms and conditions and subject to those reservations and exceptions as the Director of General Services determines are in the best interest of the state, all or any part of the following real property: Approximately 1.84 acres of unimproved land adjacent to the Employment Development Department Office, located at 2348 Baldwin, Avenue, Oroville, Butte County. The Employment Development Department has determined that the property is no longer needed for its program purposes, and declared it surplus to the agency's needs in Chapter 391, Statutes of 1994.

Funding and Cost Verification

The costs associated with the sale of the state surplus property are administrative staff costs, and no future costs have been identified with the approval of this sale. Pursuant to Chapter 391, Statutes of 1994, DGS shall be reimbursed for any cost or expense incurred in the disposition of the Calxico property.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is February 2005.

Other

- Pursuant to Government Code 11011.1 the property was offered to state and local governmental agencies with the City of Oroville purchasing a small portion of the property in October 2000. The City purchased a 0.14 acre portion of a larger narrow triangular parcel containing 1.84 acres and constructed a detention basin on the property. The excavated material was placed on the 1.70 acre remainder parcel and was leveled and compacted to raise the lower areas of the parcel.
- The approved appraised value of the remainder property of 1.7 acres is \$31,000 dated March 2001. A market survey was obtained August 2004 raising the value to \$49,000. The property was offered in a sealed bidding on October 1, 2004, and the highest bid received was \$55,501.00 cash from a private individual.
- The net proceeds of any monies received from the disposition are to be deposited in the Employment Development Department Building Fund.
- The State shall retain all mineral deposits below a depth of 500 feet and without surface rights of entry as required by Section 5 of Chapter 391, Statutes of 1994.

Staff Recommendation: Authorize the sale of state surplus property

CONSENT ITEM

CONSENT ITEM – 10

DEPARTMENT OF PARKS AND RECREATION (3790)
CHINO HILLS STATE PARK, ORANGE, RIVERSIDE, SAN BERNADINO COUNTIES
Entrance Road and Facilities

Authority: Chapter 157/03, Item 3790-301-6029 (3)
Chapter 208/04, Item 3790-301-6029 (2.2)

a. **Approve preliminary plans**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 10

Department of Parks and Recreation
Chino Hills State Park, Orange Riverside and San Bernardino Counties
Entrance Road and Facilities

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project will improve service to the public and allow formal access to Chino Hills State Park by providing a new entrance road and associated infrastructure. This project will include development of approximately 2 miles of a safe, all-weather entrance road, retaining walls, road drainage facilities, a park entrance station, utilities, a scenic overlook, erosion control, a multi-use path, a maintenance facility, comfort station, trailhead and intersection improvements.

Funding and Cost Verification

This project is not within cost. Based on the preliminary plans estimate, a total of \$12,651,000 is needed for the project. This is an increase of \$422,000 over the total project appropriations of \$12,229,000 (3.6 percent of the construction cost and 3.4 percent of total project cost). This increase is mainly attributable to general increases in construction costs due to inflation. Because, actual project costs will not be known until this project is bid, it is not recommended that a deficit be recognized at this time.

\$12,651,000 total estimated project costs

\$12,229,000 total authorized project costs

\$262,000 project costs previously allocated: preliminary plans \$262,000

\$11,967,000 project costs to be allocated: working drawings \$192,000, construction \$11,765,000 (\$10,761,000 contract, \$538,000 contingency, \$421,000 A&E costs \$45,000 agency retained items), and equipment \$10,000 at CCCI 4309

\$422,000 estimated deficit: construction \$422,000 (\$402,000 contract and \$20,000 contingency)

CEQA

A Notice of Determination was filed with the State Clearinghouse on November 8, 2004 and the waiting period expired on December 7, 2004.

Due Diligence

The properties affecting this project were acquired from 1981 to 1991 as open space. An existing unpaved park road underlies much of proposed alignment. DPR staff has completed due diligence for this project and have not identified any significant issues.

Project Schedule

The project schedule is as follows:

Complete construction: September 2006

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 11

DEPARTMENT OF PARKS AND RECREATION (3790)
HUNTINGTON STATE BEACH, ORANGE COUNTY
Expand Lifeguard Headquarters/Training Facility

Authority: Chapter 157/03, Item 3790-301-6029 (5)
Chapter 208/04, Item 3790-301-6029 (2.4)

a. **Approve preliminary plans**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 11

Department of Parks and Recreation
Huntington State Beach, Orange County
Expand Lifeguard Headquarters/Training Facility

Action requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project will expand, reconfigure and make necessary facility improvements to the existing Huntington State Beach Training Facility and Park Lifeguard Headquarters. The improvements to the facility will be accomplished by remodeling of the existing facility in conjunction with new construction additions throughout. The existing square footage will more than double from approximately 5,000 to 12,000 square feet. This project will include all work necessary to provide a fully operational facility.

Funding and Cost Verification

This project is not within cost. Based on the preliminary estimate a total of \$4,368,000 is needed for the project. This is an increase of \$442,000 over the total project appropriations of \$3,926,000. This is equal to 11.3 percent of total project cost. This increase is due to the effects of inflation and market conditions on construction contract costs and also increased building foundation requirements based on soil conditions at the project site. Because final project costs will not be known until this project is bid, it is not recommended that a deficit be recognized at this time. However, because of the potential size of this deficit, DPR should pursue value engineering changes as well as possible deductive alternates to be included in the bid package, in an effort to bring this project within budget.

\$4,368,000 total estimated project costs

\$3,926,000 total approved project costs

\$190,000 project costs previously allocated: preliminary plans

\$3,736,000 project costs to be allocated: working drawings \$212,000, construction \$3,444,000 (\$2,865,000 contract, \$201,000 contingency, \$301,000 A&E costs \$77,000 agency retained items), and equipment \$80,000

\$442,000 estimated deficit: construction \$442,000 (\$414,000 contract, \$28,000 contingency)

CEQA

A Notice of Determination was filed with the State Clearinghouse on September 15, 2004 and the waiting period expired on October 14, 2004.

Due Diligence Status

The project site was acquired in 1947 and has been in park use for over 50 years. The project expands an existing park facility that is already on the site. There are several utility easements with the Orange County Sanitation District and the Southern California Edison Company in the vicinity of the project. However, these easements do not affect the project. No other significant issues have been identified.

Project Schedule

The project schedule is as follows:

Complete construction: April 2006

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 12

DEPARTMENT OF PARKS AND RECREATION (3790)
KENNETH HAHN STATE RECREATION AREA, LOS ANGELES COUNTY
Vista Pacifica Visitor Center

Authority: Chapter 157/03, Item 3790-301-6029 (2.5)

a. **Approve preliminary plans**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 12

Department of Parks and Recreation
Kenneth Hahn State Recreation Area, Los Angeles County
Vista Pacifica Visitor Center

Action requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project will construct a new visitor center and associated facilities on the recently acquired Vista Pacifica property at Kenneth Hahn State Recreation Area. This project includes a visitor center facility of approximately 10,000 square feet that will house interpretive and exhibit space, the shell of a food service facility, and appropriate office space. This project also includes appropriate site access, associated parking, utility infrastructure, interpretive exhibits, roadway improvements, trails, viewing areas, and a small picnic area.

Funding and Cost Verification

This project is not within cost. Based on the preliminary estimate a total of \$10,033,000 is needed for the project. This is an increase of \$33,000 over the total project appropriations of \$10,000,000. This is equal to 0.3 percent of total project cost. Because actual project costs will not be known until this project is bid, it is not recommended that a deficit be recognized at this time.

\$10,033,000 total estimated project costs

\$10,000,000 total authorized project costs

\$496,000 project costs previously allocated: studies \$39,000, preliminary plans \$457,000

\$9,504,000 project costs to be allocated: working drawings \$656,000, construction \$8,671,000 (\$7,326,000 contract, \$365,000 contingency, \$418,000 A&E costs \$571,000 agency retained items), and equipment \$177,000 at CCCI 4309

\$33,000 estimated deficit: construction \$33,000 (\$31,000 contract and \$2,000 contingency)

CEQA

A Notice of Determination was filed with the State Clearinghouse on April 20, 2004 and the waiting period expired on May 20, 2004.

Due Diligence

Due diligence was completed in October 2000 for the property. The property was purchased by Santa Monica Coastal Conservancy and transferred to DPR. The condition of the property has not changed.

Project Schedule

The project schedule is as follows:

Complete construction: December 2006

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 13

DEPARTMENT OF PARKS AND RECREATION (3790)
MALIBU CREEK STATE PARK, LOS ANGELES COUNTY
Restore Sepulveda Adobe as a House Museum

Authority: Chapter 106/01, Item 3790-301-0005(17)
Chapter 157/03, Item 3790-301-0005 (6)
Chapter 208/04, Item 3790-301-0005(0.1)

a. **Approve preliminary plans**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 13

Department of Parks and Recreation
Malibu Creek State Park, Los Angeles County
Restore Sepulveda Adobe

Action requested

The requested action will provide approval of preliminary plans for this project.

Scope Description

This project is within scope. This project will restore the historic Sepulveda Adobe and add interpretation and furnishings for it to serve as an interpretive house museum. The project includes the restoration of interior building finishes, lighting, and other fixed improvements. It also includes development and implementation of interpretive and furnishing plans; the restoration and interpretation of site structures and landscaping around the building; potential reconstruction of non-extant historic period outbuildings and landscape features; and improvements to provide accessibility to the building.

Funding and Cost Verification

This project is not within cost. Based on the preliminary estimate a total of \$1,566,000 is needed for the project. This is an increase of \$119,000 over the total project appropriations of \$1,447,000. This is equal to 8.2 percent of total project cost. This increase is due to the effects of inflation and current market conditions on construction contract costs. Because actual costs will not be known until this project is bid, it is not recommended that a deficit be recognized at this time. However, the DPR should pursue value engineering and consider including deductive alternates in the bid package to bring this project back within cost.

\$1,566,000 total estimated project costs

\$1,447,000 total approved project costs

\$214,000 project costs previously allocated: studies \$118,000, preliminary plans \$96,000

\$1,233,000 project costs to be allocated: working drawings \$187,000, construction \$1,046,000 (\$724,000 contract, \$51,000 contingency, \$99,000 A&E costs \$172,000 agency retained items), at CCCI 4100

\$119,000 anticipated deficit: construction \$119,000 (\$111,000 contract, \$8,000 contingency)

CEQA

A Notice of Determination was filed with the State Clearinghouse on December 8, 2004 and the waiting period expired on January 7, 2005.

Due Diligence Status

The property containing the project site was acquired in 1979 as part of the acquisition of the lands for Malibu Creek State Park. The property, which included the Sepulveda Adobe structure, was placed in caretaker status in 1980 when the last tenant moved out. There are several utility easements on the property from various agencies. However it has been determined that these easements do not affect the project.

Project Schedule

The project schedule is as follows:

Complete construction: December 2006

Staff Recommendation: Approve preliminary plans and recognize anticipated deficit

CONSENT ITEM

CONSENT ITEM – 14

DEPARTMENT OF MENTAL HEALTH (4440)
METROPOLITAN STATE HOSPITAL, NORWALK, LOS ANGELES COUNTY
Construct New Kitchen and Remodel Satellite Serving Kitchens

Authority: Chapter 157/03, Item 4440-301-0660 (2)
Chapter 208/04 Item 4440-496-0660 (1)
Chapter 208/04 Item 4440-301-0001 (1)

- a. **Approve proceeding with preliminary plans**
- b. **Approve recognized anticipated deficit for construction**
(15 percent of total project cost)
(16 percent of construction cost)

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS – 14

Department of Mental Health
Metropolitan State Hospital, Norwalk, Los Angeles County
Construct New Kitchen and Remodel Satellite Serving Kitchens

Action requested

The requested action will authorize proceeding with preliminary plans while recognizing an anticipated deficit for the construction phase.

Scope Description

This project is within scope. This project will construct a new single story Central Kitchen Facility and will renovate six existing Satellite Kitchens and Dining Facilities. The Central Kitchen will include an overhead fire sprinkler system, new kitchen equipment, a cook/chill system, high capacity food storage racks, large freezers, 48" high receiving dock with four overhead coiling doors, and a new 300 kva emergency generator. Satellite Kitchen improvements includes new kitchen equipment, seamless epoxy floors, ceramic tile walls, and acoustical ceiling tiles.

Funding and Cost Verification

This project is not within cost.

Chapter 157, Statutes of 2003, Item 4440-301-0660 (2) appropriated \$18,726,000 for the total estimated project costs of both the Central Kitchen Facility and the Satellite Kitchens and Dining Facilities. As lease revenue bond financing was deemed inappropriate for the satellite kitchen renovation component of the project, a decision was made to replace the satellite kitchen component with General Fund rather than lease revenue bonds. As a result, Chapter 208, Statutes of 2004, Item 4440-301-0001 (1) appropriated \$259,000 for Working Drawings for the Satellite Kitchens and Item 4440-496 (1) reverted \$3,873,000 in lease revenue bonds that were previously allocated for the satellite kitchen component. The 2005 Budget proposes \$5,045,000 for the construction phase of the satellite kitchen, thereby bringing total project authority to \$20,157,000. This total does not include an \$80,000 augmentation for preliminary plans which was approved as a delegated item in October 2003.

The 100 percent Schematic Design SD (30 percent Preliminary Plans) cost estimate shows an increase in the overall project cost, particularly for the New Kitchen portion of the project, due to the increased costs of raw materials, unforeseen sit conditions, and additional utility relocations. A 20-day letter was sent to the Legislature on December 31, 2004, and the 20-day notification period will expire January 19, 2005.

\$23,172,400 Total estimated project costs

\$20,237,000 Project costs previously allocated: preliminary plans \$912,000

\$19,325,000 Project costs to be allocated: working drawings \$1,025,000 and construction \$18,300,000 (\$15,092,000 contracts, \$1,057,000 contingency, \$2,151,000 A&E/Other project costs)

\$2,935,400 Recognized anticipated deficit for construction

CEQA

A Categorical Exemption is being developed by DGS-RES-Environmental Services, anticipated completion January 2005.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	March 2005
Approve working drawings:	January 2006
Approve to proceed to bid:	February 2006
Complete construction:	June 2007

Due Diligence Status

Due Diligence was completed on October 18, 2004.

Staff Recommendation: **Approve authorization to proceed with preliminary plans while recognizing deficit of 16 percent for construction phase.**

CONSENT ITEM

CONSENT ITEM – 15

DEPARTMENT OF MENTAL HEALTH (4440)
PATTON STATE HOSPITAL, SAN BERNARDINO COUNTY
EB Building, Fire/Life Safety and Environmental Improvements

Authority: Chapter 50/99, Item 4440-301-0660 (2)
Government Code Section 13332.11

a. Approve augmentation **\$947,311**
(13.4 percent of total project)
(14.6 percent of construction)

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 15

Department of Mental Health
Patton State Hospital, San Bernardino County
EB Building, Fire/Life Safety and Environmental Improvements

Action Requested

The requested action will approve an augmentation for the construction phase of this project.

Scope Description

The project is within scope. The original project provided fire and life safety improvements (F&LSI) for the EB Building, Patton State Hospital in order to maintain accreditation. These improvements include limited F&LSI throughout the building, several small areas of renovation, elevator renovation, re-roof and miscellaneous mechanical and electrical improvements. The project was divided into three phases to allow for continuous occupancy of the facility. Due to increased costs that were the result of the contractor's lack of performance and subsequent termination and because of the deadline to sell bonds on the project, a scope change was approved during the October Public Works Board meeting. Phases II and III of this project were delayed by this change and are now part of a separate project authorization approved in the 2003 Budget Act.

Funding and Project Cost Verification

The project is not within cost. The Legislature appropriated \$7.8 million lease revenue bonds for the construction phase of this project, thereby bringing total project authority to \$8.4 million. In March 2003, \$1.3 million was reverted reflect savings due to the deferral of Phase II and III of the EB building to a separate authorization. Costs incurred in the final stages of construction and to cover the legal costs of defending the state require a \$947,311 augmentation (14 percent of total project).

\$8,036,311 total estimated project costs

\$7,089,000 project costs previously allocated: preliminary plans \$179,000, working drawings \$418,000, and construction \$6,492,000 (\$5,176,930 construction, \$395,600 contingency, and \$919,470 A&E/other project costs)

\$947,311 Project costs to be allocated: construction \$947,311 (\$717,798 construction, \$229,513 A&E/other project costs)

\$947,311 Additional funds to be augmented: construction \$947,311 (14 percent) within original appropriation

CEQA

A Notice of Exemption was filed with the State Clearinghouse on November 6, 1997, and the period expired on December 7, 1997.

Project Schedule

The project schedule is as follows:

Complete construction: April 2004

Staff Recommendation: Approve Augmentation.

CONSENT ITEM

CONSENT ITEM – 16

DEPARTMENT OF CORRECTIONS (5240)
CALIFORNIA REHABILITATION CENTER, NORCO, RIVERSIDE COUNTY
Replacement Men's Dormitories

Authority: Chapter 324, Statutes of 1998, Item 5240-301-0001 (27.1), 61.15.035
Chapter 52, Statutes of 2000, Item 5240-301-0001 (32)

a. Augmentation of construction phase **\$810,000**
(11.17 percent of total project)
(9.99 percent total appropriations)

PULLED

CONSENT ITEM

STAFF ANALYSIS ITEM – 16

Department of Corrections
California Rehabilitation Center, Norco, Riverside County
Replace Men's Dormitories

Action Requested

The requested action will approve an augmentation to the construction phase of this project.

Scope Description

This project is within scope. The scope of this project is to demolish and replace the existing (28) 100-bed men's dormitories with (16) 200-bed men's dormitories. This multi-phase project will provide housing for all inmates throughout the construction period.

Funding and Cost Verification

This project is not within cost. An increase to the construction phase is necessary to fund additional construction contingency and project administration needs of \$810,000. This augmentation encompasses the extensive excavation work undertaken to provide a structural foundation for supporting the building slabs, increased site electrical work for a new underground electrical feeder system, price increases in materials (e.g. concrete, steel, and lumber), additional cost associated with the fabrication and re-purchasing for structural steel, and the added cost for Inmate Day Labor to remobilize at the construction site. Additionally, funding has been included for due diligence activities.

\$79,513,000 total estimated project costs

\$8,974,000 project costs previously allocated: preliminary plans \$1,033,000 total project; working drawings \$692,000 Phases O, I & II; and construction \$7,249,000 Phase O & I

\$69,729,000 Project costs to be allocated: working drawings \$1,219,000 Phases III through V; construction Phases II through V \$68,510,000 (contracts \$55,998,000; contingency \$3,988,000; A/E \$3,428,000; agency retained \$2,603,000; and project management \$2,503,000)

\$810,000 Pending augmentation: construction Phase I

CEQA

The Notice of Determination was filed with the State Clearinghouse on August 7, 2000 and the waiting period expired on September 7, 2000.

Project Schedule

The project schedule is as follows:

Complete construction: January 2006

Due Diligence:

Schedule pending

Staff Recommendation: Approve augmentation.

CONSENT ITEM

CONSENT ITEM – 17

DEPARTMENT OF FOOD AND AGRICULTURE (8570)
MEDFLY FACILITY, HONOLULU, HAWAII
Operating Adjustments and Enhancements

Authority: Chapter 208/04, Item 8570-301-0111(1)

a. **Approve preliminary plans**

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 17

Department of Food and Agriculture
Medfly Facility, Honolulu, Hawaii
Operating Adjustments and Enhancements

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The project consists of renovations of the existing Medfly Rearing Facility. These renovations include alterations to the heating, cooling, humidification, and ventilation systems needed to increase the yields of sterile Temperature Sensitive Lethal (TSL) strain of Mediterranean fruit fly more suited to the State of California's program and needs. The current project is to complete the mechanical and electrical systems upgrades begun by the prior Special Repair project and change order.

Funding and Cost Verification

This project is within cost.

\$416,000 total estimated project costs

\$11,000 project costs previously allocated: preliminary plans

\$405,000 project costs to be allocated: working drawings \$33,000 and construction \$372,000

CEQA

N/A--the project is outside of California

Project Schedule

The project schedule is as follows:

Complete Construction: May 2005

Due Diligence Status

No significant issues have been identified

Staff Recommendation: Approve preliminary plans.

ACTION ITEM

ACTION ITEM — 18

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
SAN SIMEON STATE PARK, AMERICAN LAND CONSERVANCY
SAN LUIS OBISPO COUNTY
DPR Parcel Number A38801, DGS Parcel Number 10260

Authority: Chapter 157/03, 3790-301-6029(10)

a. Authorize acquisition

APPROVED
3/0

ACTION ITEM

STAFF ANALYSIS ITEM — 18

Department of General Services
Department of Parks and Recreation
American Land Conservancy

Action requested

The requested action will authorize acquisition consistent with the staff analysis.

Scope Description

This project is within scope. The Legislature has approved funding from Proposition 40: California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund for new acquisitions for the State Park System without specifying particular parcels. This request will authorize the acquisition of approximately 175 acres as an addition to San Simeon State Park. The proposed acquisition meets the Department of Parks and Recreation's (DPR) mission to protect valued natural resources.

Funding and Cost Verification

This project is within cost. Chapter 157/03, Item 3790-301-6029(10) provides funding for this acquisition in fee simple interest and associated overhead for the real property. The property can be acquired with the remaining funds and in accordance with Legislative intent.

\$1,479,000 total project costs

\$3,000 project costs previously allocated (DGS staff costs)

\$1,476,000 project costs to be allocated: \$1,470,000 acquisition and approximately \$6,000 in overhead costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on July 31, 2001, and the waiting period expired on September 4, 2001.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is February of 2005.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the American Land Conservancy (ALC) property on September 22, 2004. The Department of Parks and Recreation acquisition consists of approximately 175 acres of undeveloped agricultural land east of Highway 1 (Pacific Coast Highway—PCH) at the intersection of Highway 1 and San Simeon Creek Road. The property consists of 175 acres (APN 13-051-018) located in the unincorporated San Simeon area (approximately 3.75 miles north of Cambria), San Luis Obispo County, California.

A Phase I Environmental Site Assessment (ESA) report prepared by Earth Systems Pacific on January 3, 2003 (revised January 7, 2003), was reviewed by ESS staff and found to be in accordance with American Society for Testing and Materials (ASTM) standards. No evidence of recognized environmental conditions in connection with the ALC property was identified in the ESA report. The Phase I report did identify the following:

- “The Willis Warren Ranch landfill is present approximately 1,000 feet northeast of the ALC property, on the opposite side of Van Gorden Creek. Groundwater and air quality assessments are planned for the landfill during 2003-04. It is possible that the landfill may have impacted groundwater, surface water or air quality in the area; however, the responsible party(ies) for the landfill would shoulder liability for remedial action required by regulatory agencies.”

The Regional Water Quality Control Board (RWQCB) was contacted (Frank Demarko, personal communication, November 4, 2004) regarding the planned groundwater and air quality assessments for the Willis Warren Ranch landfill. Mr. Demarko forwarded a copy of a report containing an analysis of laboratory analytical results on surface and groundwater samples collected on January 22, 2003, at the closed/abandoned San Luis Obispo County waste disposal site (aka Van Gordon Creek Dump/Willis Warren Ranch landfill). The report is based on a single sampling event, so the following conclusions are qualitative in nature:

- Surface Water—the Dump or other land use practices do not appear to be significantly altering the water chemistry (general mineral) or releasing detectable (or trace) concentrations of volatile or semi-volatile compounds to surface waters.
- Groundwater—it appears existing land use practices may be increasing general mineral concentrations in groundwater. However, insufficient data is available at this time to determine if wastes associated with the Dump are significantly contributing general mineral constituents to groundwater. Metal analytical results suggest the land use practices in the vicinity of the Dump are increasing arsenic and iron concentrations in groundwater. Additionally, both toluene and 2-Methylphenol could be associated with waste from the Dump. However, both of these constituents could also be associated with other land use practices at or near the Dump (e.g., agricultural practices, equipment fueling and maintenance). The sources of the volatile and semi-volatile constituents detected need further assessment.

The RWQCB staff recommends additional assessment/work (e.g., additional surface and groundwater sampling, construction of a groundwater monitoring well adjacent and downgradient of the Dump, monitor for landfill related gases above and below ground surface at the dump, measure the depth and characterize the soils used to cover the waste disposed at the Dump) for the Willis Warren Ranch landfill property. The RWQCB has contacted the responsible parties, i.e., the Warren Trust, the Cambria Community Services District, and San Luis Obispo County, and requested that they conduct further site characterization for the identification of and extent of groundwater and surface water contamination.

At this time it is unknown if the water contamination has any impact on the proposed ALC property acquisition. Topographically, the 20-acre Willis Warren Ranch Dump is situated between and immediately adjacent to two creeks, Van Gordon Creek to the west and a Seasonal Creek to the east. The Dump is at the lower end of a northeast to southwest trending watershed. Hydro geologically, it appears that the groundwater beneath the Willis Warren Ranch Dump corresponds with the watershed's topography, essentially southerly. Based upon the topography and hydrogeology of the area, it appears unlikely the ALC property, which is located to the west of Van Gordon Creek and at a higher elevation from the Dump site, would be impacted by either the groundwater or surface water contamination emanating from the Willis Warren Ranch Dump site.

The site visit to the ALC property revealed no improvements, e.g., industrial uses, fuel storage, waste disposal, etc., on the property that would raise a concern for migration of hazardous materials. No potential problems with hazardous materials, e.g., ground and/or vegetation staining were observed during the ESS site visit and the property is compatible with the proposed

Other:

- The project was approved for site selection by the State Public Works Board on December 17, 2004.
- The purchase price does not exceed estimated fair market value as determined by a DGS approved appraisal.
- DPR is not aware of any lawsuits pending concerning the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
- The property is vacant and unimproved.
- There is no relocation assistance involved with this project.
- There is no implied dedication applicable to this property.
- The acquisition is contingent on the California Transportation Commission depositing an Environmental Enhancement and Mitigation grant directly into escrow for the benefit of the American Land Conservancy (ALC), to be distributed by ALC, the seller, at close of escrow.
- The acquisition agreement does not include standard indemnification language. However, based on environmental reviews and historical use of the property, the Department asserts that the risk associated with accepting the acquisition without the standard indemnification provisions is relatively low.
- Due to the proximity of this property to the adjacent 20-acre Warren Ranch Dump site, DPR and ESS staff are available to address the risks associated with the acquisition of this property without the standard indemnification language.
- This property is encumbered by the California Land Conservation Act of 1965 (Williamson Act) and DPR has notified the Department of Conservation of the proposed acquisition.
- It is anticipated that the management of this property will be handled within existing resources. DPR will provide visual patrols using existing staff.

Staff Recommendation: Authorize acquisition.

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OTHER BUSINESS

OTHER ITEM – 19

Authorize an amendment to each of the Board's bond counsel contracts to add time-only

REPORTABLES

To be presented at meeting.